

Congress of the United States
Washington, DC 20515

November 26, 2018

The Honorable Robert E. Lighthizer
U.S. Trade Representative
Office of the U.S. Trade Representative
600 17th Street, NW
Washington, DC 20508

Re: Request for Public Comment Concerning Negotiating Objectives for a U.S.-Japan Trade Agreement [Docket No. USTR-2018-0034] – Elimination of Japan’s 3.3% Tariff on U.S. Natural Soda Ash

Dear Ambassador Lighthizer:

We write to request that you prioritize eliminating the Japanese tariff on U.S. natural soda ash during the U.S.-Japan trade agreement negotiations.

Japan is an important trading partner of the United States, with exports to Japan totaling \$67.6 billion in 2017. Japan is also an especially important trading partner for the soda ash industry, which supplies nearly 50 percent of the Japanese market.

The United States has a unique deposit of trona, the key raw material used in the production of natural soda ash, in the Green River basin in Wyoming which could supply the world’s requirements for soda ash for hundreds of years. U.S. exports of natural, high-quality, and environmentally-friendlier soda ash were valued at \$1.4 billion in 2017. The soda ash industry produces roughly 20 percent of the total global output and supports over 20,000 well-paying direct and indirect U.S. jobs. This includes steelworkers and manufacturing workers in Wyoming and California, domestic U.S. railroad personnel, workers at loadport terminals in Oregon, Washington, and Texas, as well as employees in Connecticut, Georgia, Kansas, New Jersey, Utah and Pennsylvania.

Soda ash is a basic raw material required to manufacture other basic commodities such as glass and detergents, accounting for roughly 60 percent of the raw material cost for glass production and 15 to 30 percent of the raw material cost for detergent manufacturing. Soda ash is also a key component in the production of water treatment products and lithium batteries. Because soda ash is a basic commodity required to make other products, even the smallest price premiums can significantly raise the cost of production for downstream products.

Currently, Japan has a 3.3 percent tariff on U.S. natural soda ash, which creates a barrier for U.S. exports. From 2014 to 2017, U.S. annual exports to Japan decreased by over 4,000 metric tons (a decline of approximately 2 percent), while Chinese exports of synthetic soda ash to Japan grew

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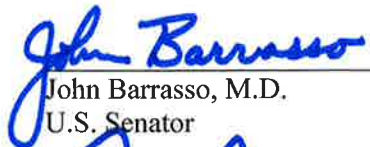
by nearly 44,000 metric tons (an increase of nearly 75 percent). Synthetic soda ash is lower quality and less environmentally friendly than U.S. natural soda ash, yet China has been steadily increasing its exports of synthetic soda ash to Japan. Eliminating the 3.3 percent duty would help U.S. soda ash exports to compete more fairly in Japan and prevent further market share erosion. In addition, greater soda ash exports would contribute towards reducing the United States' nearly \$70 billion trade deficit with Japan.

We look forward to working closely with you to sustain the competitiveness of the U.S. soda ash industry.

Respectfully,



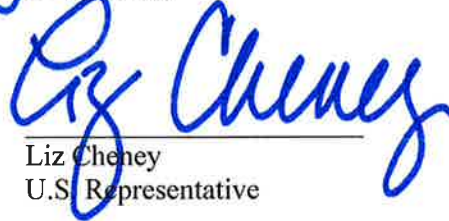
Michael B. Enzi
U.S. Senator



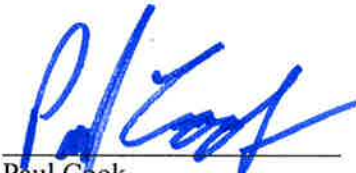
John Barrasso, M.D.
U.S. Senator



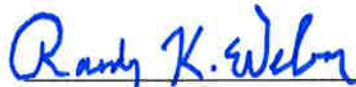
Johnny Isakson
U.S. Senator



Liz Cheney
U.S. Representative



Paul Cook
U.S. Representative



Randy Weber
U.S. Representative



Kevin McCarthy
U.S. Representative